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SPECIAL CHANNELS

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PASS TO DDCI FROM HETU

SUMMARY FROM PUBLIC AFFAIRS OFFICE

A. MEDIA PROFILE

1. THE MAJOR STORY IN WEDNESDAY'S NEWSPAPER IS PRESIDENT CARTER'S ANNOUNCEMENT LAST NIGHT OF HIS NEW VOLUNTARY WAGE-PRICE GUIDELINES PROGRAM. THE WASHINGTON STAR COMMENTS THAT THE GUIDELINES MAY HELP MARGINALLY TO CURB EXCESSIVE WAGE AND PRICE INCREASES IF BROAD INFLATIONARY PRESSURES SUBSIDE. THE WASHINGTON POST OFFERS A REVIEW OF THE 13-YEAR INFLATION SPIRAL WHICH IT SAYS IS THE PERIOD OF HIGHEST SUSTAINED INFLATION IN THE NATION'S HISTORY.

2. OTHER FRONT-PAGE STORIES: A. THE ITT JURY HAS BEEN DISMISSED BY A FEDERAL JUDGE WHO REJECTED A JUSTICE DEPARTMENT PROPOSAL TO PREVENT CLASSIFIED INFORMATION FROM BEING DISCLOSED AND TOLD PROSECUTORS THEY MUST DECIDE BY MONDAY WHETHER TO DROP THE CHARGES TO PROTECT CIA SECRETS. B. REP. JOSHUA EILBERG (D., PA.) WAS INDICTED YESTERDAY ON CHARGES OF RECEIVING ILLEGAL COMPENSATION FOR HELPING A PHILADELPHIA HOSPITAL OBTAIN A FEDERAL GRANT.

B. SUMMARY OF SPECIAL INTEREST ITEMS

3. PRIME MINISTER BEGIN AND HIS DEPUTY YIGAEL YADIN LODGED PERSONAL PROTESTS TO THE STATE DEPARTMENT ACCUSING PRESIDENT CARTER OF MISHANDLING THE WEST BANK - GAZA STRIP ISSUE UNDER THE PROVISIONS OF THE CAMP DAVID ACCORDS. BEGIN TOLD ASSISTANT SECRETARY SAUNDERS THAT THE TIMING AND CONTENT OF HIS MISSION TO THE MIDDLE EAST WAS POTENTIALLY DISASTROUS TO THE PEACE PROCESS. (LONDON DAILY TELEGRAPH)

AS THE ISRAELI CABINET DEBATE ON THE DRAFT PEACE TREATY RESUMES TODAY, JERUSALEM DOMESTIC SERVICE REPORTS EDUCATION AND CULTURE MINISTER HAMMER OF THE NATIONAL RELIGIOUS PARTY IS CONSIDERING RESIGNATION IF THE TREATY DRAFT WINS CABINET APPROVAL. (FBIS)

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4. RHODESIAN EUPHORIA OVER RECENT SUCCESSFUL RAIDS INTO ZAMBIA WAS DAMPENED BY RHODESIA'S SUPREME MILITARY COMMANDER, LT. GENERAL WALLS, WHO HAS WARNED THAT THE GUERRILLAS MAY RESPOND WITH A MAJOR RETALIATORY OFFENSIVE IN ORDER TO RESTORE THEIR CREDIBILITY. MEANWHILE, PRIME MINISTER SMITH SAID YESTERDAY THAT OPERATIONS AGAINST FOREIGN-BASED GUERRILLA CAMPS WOULD CONTINUE AND EVEN INCREASE IF NECESSARY. (LONDON DAILY TELEGRAPH)

5. SWAPO HAS REJECTED A COMPROMISE PLAN FOR NEW TALKS WITH THE UN AND SOUTH AFRICA ON THE FUTURE OF NAMIBIA. THE REJECTION NOTICE WAS PASSED TO UN SECRETARY GENERAL WALDHEIM IN NEW YORK AND IS DUE TO BE MADE PUBLIC LATER THIS WEEK. UN OFFICIALS HOPE THAT A FORMULA TO KEEP THE NAMIBIA TALKS GOING CAN STILL BE WORKED OUT AND THUS AVOID HAVING TO FACE THE ISSUE OF ECONOMIC SANCTIONS AGAINST SOUTH AFRICA. (POST)

6. SECRETARY VANCE BELIEVES THE NEXT ROUND OF SALT TALKS WITH THE SOVIETS SHOULD PRODUCE ENOUGH AGREEMENT TO TAKE THE DISCUSSIONS TO A CARTER-BREZHNEV SUMMIT. COMMENTING ON THE "FRIENDLY AND CORDIAL" ATMOSPHERE OF HIS LATEST MEETINGS WITH THE SOVIET LEADER, VANCE REPORTED THAT A STRATEGIC ARMS AGREEMENT SEEMS TO BE THE LEGACY BREZHNEV WOULD LIKE TO LEAVE BEHIND. (POST)

7. TWO ROMANIAN SAILORS WHO JUMPED SHIP IN NEW YORK HARBOR HAVE BEEN GRANTED POLITICAL ASYLUM. IMMIGRATION AUTHORITIES SAID THE FAVORABLE DECISION TOOK INTO CONSIDERATION THE SEVERE REPERCUSSIONS THE TWO MEN WOULD PROBABLY FACE IF THEY WERE SENT BACK. (UPI)

8. THE FORMER CHIEF OF CHILE'S SECRET POLICE, GENERAL MANUEL CONTRERAS, HINTED YESTERDAY THAT THE THEN US AMBASSADOR TO PARAGUAY, GEORGE LANDAU, WAS INVOLVED IN THE 1976 MURDER OF ORLANDO LETELIER. CONTRERAS ALSO IMPLIED THAT MICHAEL TOWNLEY WAS A CIA AGENT WHO PARTICIPATED IN THE ATTACK ON LETELIER, AND ENTERED THE US WITH A VISA OBTAINED IN PARAGUAY. (FBIS)

9. THE BANK OF JAPAN INTERVENED MASSIVELY IN THE FOREIGN EXCHANGE MARKET TODAY TO PREVENT THE US DOLLAR FROM DROPPING BELOW A RATE OF 180 YEN. THE BANK BOUGHT \$350 MILLION, THE BIGGEST INTERVENTION SINCE LAST JULY WHEN THE CENTRAL BANK REPORTEDLY PURCHASED \$500 MILLION. THE DOLLAR CLOSED TODAY AT A RECORD LOW OF 180.255 YEN. (REUTER) (DOW-JONES) E2 IMPDET. >

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